



“Challenging People to Shape a Better Future Now”

BERNIE FOSTER
Founder/Publisher

BOBBIE DORE FOSTER
Executive Editor

JERRY FOSTER
Advertising Manager

LISA LOVING
News Editor

HELEN SILVIS
Multimedia Editor

PATRICIA IRVIN
DAVID KIDD
Graphic Designer

MONICA J. FOSTER
Seattle Office Coordinator

JULIE KEEFE
SUSAN FRIED
Photographers



The Skanner Newspaper, established in October 1975, is a weekly publication, published each Wednesday by IMM Publications Inc.,

415 N. Killingsworth St.,

P.O. Box 5455, Portland, OR 97228.

Telephone (503) 285-5555.

E-mail: info@theskanner.com

World Wide Web site:

<http://www.theskanner.com>

Fax: (503) 285-2900

The Skanner is a member of the National Newspaper Publishers Association and West Coast Black Publishers Association.

All photos submitted become the property of The Skanner. We are not responsible for lost or damaged photos either solicited or unsolicited.

© 2014 The Skanner. ALL RIGHTS RESERVED. REPRODUCTION IN WHOLE OR IN PART WITHOUT PERMISSION PROHIBITED.

To see The Skanner News on your smart phone go to theskannermobile.com or scan this QR code with your app.



- Local news
- Opinions
- Jobs, Bids
- Sports
- Entertainment
- Music reviews
- Bulletin board
- RSS feeds

U.S. Foreign Policy Led to Border Crisis

By Bill Fletcher, Jr.
NNPA Columnist

I have been increasingly concerned by the near hysteria in connection with the Central American immigrant children who have attempted to enter the USA, fleeing from poverty, crime and violence. The political Right in the USA is trying to make this the defining moment in their attacks on the Obama administration, playing to the worst and most xenophobic sides of the U.S. public. The Obama administration, true to form, has done a very poor job in responding to this insanity. They have particularly avoided saying something that could change the entire tenor of the debate. It goes something like this.

The immigration from Mexico and Central America cannot be understood outside of understanding U.S. foreign policy and, specifically, the relationship of the U.S. towards Mexico and Central America. Continuously, since the 19th century, the USA has interfered in the internal affairs of Latin America and the Caribbean. This has included direct invasions, e.g., the Dominican Republic in 1965; coups, e.g., the 1954 ouster of the Guatemalan President Arbenz; the promotion of insur-



TRANS
AFRICA

Bill
Fletcher Jr.

gencies, e.g., the Contra war against the Sandinista government of Nicaragua; blockades, e.g., Cuba, Haiti (in the 1800s); and colonialism, e.g., Puerto Rico. As a result the entire region has been destabilized for more than a century. Added to that is that there exists a proliferation of U.S.-pro-

duced weaponry that has shifted, over time, from political battles to battles among and between various crime families.

None of this is to suggest that the immigration crisis lends itself to easy solutions. What it is to suggest, however, is that people would rather stay in their own

countries as opposed to migrating. That means that the U.S. can and should provide the necessary support to countries that are attempting to stabilize and grow. It should not be promoting or endorsing coups, as it did as recently as 2009 in the case of Honduras, or as it implies in its relationship to the Venezuelan opposition. It needs to be cooperating with the governments of Latin American and the Caribbean on the basis of mutual respect rather than imposing what it sees as solutions, a factor that has contributed to the near civil war situation involving criminal gangs in Mexico.

In order to address immigration, we must come to terms with the role of the United States in Latin American and the Caribbean

While the U.S. political elite, and much of our population, would rather forget history and ignore the role of the USA in the crimes against the peoples of Latin America and the Caribbean, if we want solutions, we need to bite the bullet, so to speak, and come to terms with our own role.

There actually is no alternative. *Bill Fletcher, Jr. is a racial justice, labor and global justice writer and activist. He is a Senior Scholar with the Institute for Policy Studies. Follow him on Facebook and at www.billfletcherjr.com.*

Consumer Finance Protection Bureau

By Charlene Crowell
NNPA Columnist

Sens. Elizabeth Warren and Jeff Merkley championed creation of CFPB to curb financial sector abuses

For the second time in as many years, the Consumer Financial Protection Bureau (CFPB) has fined a major payday lender. On July 10, Director Richard Cordray announced that one of the nation's largest payday lenders, ACE Cash Express, will pay \$10 million in restitution and penalties for directing its employees to “create a sense of urgency” when contacting delinquent borrowers. This abusive tactic was used to perpetuate the payday loan debt trap.

CFPB has ordered ACE Cash Express to provide consumers with \$5 million in refunds and the same amount in penalties for its violations. The firm operates in 36 states and in the District of Columbia with 1,500 storefronts, 5,000 associates and online loans.

“We believe that ACE’s aggressive tactics were part of a culture of coercion aimed at pressuring payday borrowers into debt traps,” said Cordray. “Our investigation uncovered a graphic in ACE’s training manual that lays out a step-by-step loan and collection process that can ensnare consumers in a cycle of debt. When borrowers could not pay back their loans, ACE would subject them to illegal debt collection threats and harassment.”

Commenting on CFPB’s actions, Mike Calhoun, president of the Center for Responsible Lending, said, “This enforcement action also confirms what our research found long ago: payday



RESPONSIBLE
LENDING

Charlene
Crowell

lenders depend on keeping vulnerable consumers trapped in an endless cycle of debt of 300-400 percent interest loans...It’s real, it’s abusive and it’s time to stop.”

CRL research shows that payday loans drain \$3.4 billion a year

Last year, another large payday lender, the Fort Worth-based Cash America International, faced similar enforcement actions when CFPB ordered it to pay \$5 million in fines for robo-signing court documents submitted in debt collection lawsuits. Cash America also paid \$14 million to consumers through one of its more than 900 locations throughout the United States, Mexico and the United Kingdom.

On the same day that the CFPB’s enforcement action occurred, another key payday-related development occurred.

‘When borrowers could not pay back their loans, ACE would subject them to illegal debt collection threats and harassment’

from consumers. Further, CRL has long held that the payday industry preys on customers who cannot repay their loans.

Now, with CFPB releasing an item from ACE Cash Express’ training manual, that contention is proven to be true. The ACE graphic shows how the business model intends to create a debt cycle that becomes increasingly difficult to break and urges its associates to be aggressive.

Across the country, the South has the highest concentration of payday loan stores and accounts for 60 percent of total payday lending fees. Missouri is the only state outside of the South with a comparable concentration of payday stores.

Missouri Gov. “Jay” Nixon vetoed a bill that purported to be payday reform. In part, Gov. Nixon’s veto letter states, “allowing payday lenders to charge 912.5 percent for a 14-day loan is not true reform...Supporters point to the prohibition of loan rollovers; but missing from the legislation is anything to address the unfortunately all-too-common situation where someone living paycheck-to-paycheck is offered multiple loans by multiple lenders at the same time or is encouraged to take out back-to-back loans from the same lender...This bill cannot be called meaningful reform and does not receive my approval.”

Speaking in support of Gov. Nixon’s veto, Pastor Lloyd Fields

of Kansas City added, “The faith community applauds Governor Nixon’s moral leadership in holding lawmakers to a higher standard on payday lending reform. Missourians deserve nothing less.”

On the following day, July 11, the Federal Trade Commission (FTC) fined a Florida-based payday loan ‘broker’ \$6.2 million in ill-gotten gains. According to FTC, the firm falsely promised to help consumers get payday loans. After promising consumers to assist them in securing a loan in as little as an hour, consumers shared their personal financial data. However that information was instead used to take money from consumers’ bank accounts and without their consent.

Speaking on behalf of the FTC, Jessica Rich, director of FTC’s Bureau of Consumer Protection, said, “These defendants deceived consumers to get their sensitive financial data and used it to take their money. The FTC will continue putting a stop to these kinds of illegal practices.”

Looking forward, CFPB’s Cordray also sees a need to remain watchful of payday developments.

“Debt collection tactics such as harassment and bullying take a profound toll on people – both financially and emotionally”, said Cordray. “The Consumer Bureau bears an important responsibility to stand up for those who are being wronged in this process.”

Charlene Crowell is a communications manager with the Center for Responsible Lending. She can be reached at Charlene.crowell@responsible-lending.org.